

**CITY OF JOHN DAY
CITY COUNCIL MINUTES
JOHN DAY, OREGON**

June 8, 2021

COUNCILORS PRESENT:

Paul Smith, Council President
Shannon Adair
Heather Rookstool
Gregg Haberly
Elliot Sky

COUNCILORS ABSENT

Ron Lundbom, Mayor
David Holland

CITY STAFF PRESENT

Nicholas Green, Executive Director
Lindy Berry, Secretary
Aaron Lieuallen, Senior Project Manager
(virtual)

LauraBeth Wallenstein, Agribusiness Project
Manager (virtual)

**GUESTS PRESENT (VIRTUAL UNLESS INDICATED
AS IN-PERSON)**

Sherrie Rininger (in person)
Rudy Diaz (in person)
Stephanie LeQuieu (in person)
Chris Labhart (in person)
Mindy Winegar (in person)

Chris Fox
DG
Harsh Patel
Dave Beuler
Caller 02
Caller 03

Agenda Item No. 1— OPEN AND NOTE ATTENDANCE

Council President Smith called the meeting to order at 7:00 p.m., noting everyone was present except Mayor Lundbom and Councilor Holland who were absent and excused. Council President Smith invited guests to share items not on the agenda. Sherri Rininger requested to speak about the streets when time would allow.

Agenda Item No. 2— APPROVAL OF PRIOR MINUTES

The minutes from the May 11, 2021 meeting were presented for approval.

Councilor Adair motioned to approve the May 11, 2021 council minutes. The motion was seconded by Councilor Rookstool and passed unanimously.

The cover sheets from the October 14, 2020, January 19, 2021, February 9, 2021, and May 27, 2021 meetings were presented for approval.

Councilor Adair motioned to approve the cover sheets for the October 14, 2020, January 19, 2021, February 9, 2021, and May 27, 2021, meetings. The motion was seconded by Councilor Sky and passed unanimously.

Agenda Item No. 3— APPEARANCE OF INTERESTED CITIZENS

Agenda Item No. 4— CONSENT AGENDA ITEMS (7:03 PM)

Council President Smith asked if there were any questions. None *appeared*.

Action Item No. 5 PUBLIC HEARING – CITY OF JOHN DAY 2021-2022 BUDGET (7:03 PM)

Councilor Sky motioned to open the 2021-2022 public hearing. The motion was seconded by Councilor Haberly and passed unanimously.

City Manager Green briefly reviewed the budget documents and invited questions from the Council. Councilor Rookstool inquired about a change they had discussed within the budget. City Manager Green explained that the change was included in the original budget document and will only be in effect and expended if the levy passes.

Council President Smith invited public comment. *None appeared*.

Councilor Adair motioned to close the 2021-2022 public hearing. The motion was seconded by Councilor Rookstool and passed unanimously.

Council President Smith invited audience member, Sherri Rininger to share her concerns. She inquired about when the street cleaning would be complete. City Manager Green answered that he would speak with Monte Legg, Public Works Director and let her know. Stephanie LeQuieu added that the dirty streets and dust create hardship for Farmer’s Market vendors. Mrs. Rininger also inquired about the design for the new restrooms and parking. She expressed concerns about oversized vehicles accessing the lot. Councilor Rookstool explained the set up of the area to clarify how the oversized parking would be accessible and possible.

City Manager shared that the special election language for the local option levy had been published and was open for appeal. The election would be held August 17, 2021. Councilor Rookstool inquired about holding a Town Hall prior to the election date. Several councilors agreed a late July town hall would be ideal. City Manager Green proposed that the council have a town hall in place of their July 27th council meeting.

The Council reached a consensus to hold a town hall on Tuesday, July 27th at 6:30 pm.

Action Item No. 6— PUBLIC HEARING – 2020-2021 SUPPLEMENTAL BUDGET (7:15 PM)

Councilor Adair motioned to open the hearing for the 2020-2021 Supplement Budget. The motion was seconded by Councilor Rookstool and passed unanimously.

City Manager Green reviewed the revenues and expenditures that had not been budgeted at the beginning of the fiscal year. Councilor Sky inquired about the signage plan presented at a previous council meeting. City Manager Green answered that the signage project would be happening, but the timeline is not concrete.

Council President Smith invited public comment. *None appeared.*

Councilor Sky motioned to close the public hearing for the 2020-2021 Supplemental Budget. The motion was seconded by Councilor Adair and passed unanimously

Action Item No. 7— RESOLUTION NO. 21-859-07, A RESOLUTION TO CHANGE BUDGET APPROPRIATIONS BY SUPPLEMENTAL BUDGET (7:19 PM)

City Manager Green briefly reviewed the resolution.

Councilor Adair motioned to approve Resolution 21-859-07, A Resolution to Change Budget Appropriations by Supplemental Budget. The motion was seconded by Councilor Rookstool and passed unanimously.

Action Item No.- 8 RESOLUTION NO. 21-860-08, A RESOLUTION TO ADOPT FISCAL YEAR 2021-2022 BUDGET (7:19 PM)

City Manager Green briefly reviewed the resolution.

Councilor Adair motioned to approve Resolution 21-860-08, A Resolution to Adopt Fiscal Year 2021-2022 Budget. The motion was seconded by Councilor Sky and passed unanimously.

Action Item No. 9— RESOLUTION NO. 21-861-09, A RESOLUTION TO APPROPRIATE FISCAL YEAR 2021-2022 BUDGET (7:21 PM)

City Manager Green briefly reviewed the resolution.

Councilor Adair motioned to approve Resolution 21-861-09, A Resolution to Appropriate Fiscal Year 2021-2022 Budget. The motion was seconded by Councilor Sky and passed unanimously.

Action Item No. 10— RESOLUTION NO. 21-862-10, A RESOLUTION TO IMPOSE AND CATEGORIZE TAXES FOR FISCAL YEAR 2021-2022 BUDGET (7:22 PM)

City Manager Green briefly reviewed the resolution.

Councilor Adair motioned to approve Resolution 21-862-10, A Resolution to Impose and Categorize Taxes for Fiscal Year 2021-2022 Budget. The motion was seconded by Councilor Rookstool and passed unanimously.

Action Item No. 11— RESOLUTION NO. 21-863-11, A RESOLUTION OF THE CITY OF JOHN DAY, GRANT COUNTY, OREGON APPROVING PARTICIPATION IN THE STATE REVENUE SHARING PROGRAM (7:23 PM)

City Manager Green briefly reviewed the resolution.

Councilor Adair motioned to approve Resolution No. 21-863-11, A Resolution of the City of John Day, Grant County, Oregon Approving Participation in the State Revenue Sharing Program. The motion was seconded by Councilor Sky and passed unanimously

Action Item No. 12— RESOLUTION NO. 21-864-12, A RESOLUTION APPROVING A LOAN BETWEEN THE CITY OF JOHN DAY AND THE JOHN DAY URBAN RENEWAL AGENCY (7:24 PM)

City Manager Green briefly reviewed the specifications of the loan.

Councilor Adair motioned to approve Resolution 21-864-12, A Resolution Approving a Loan between the City of John Day and the John Day Urban Renewal Agency. The motion was seconded by Councilor Sky and passed unanimously.

Action Item No. 13— INDUSTRIAL PARK LAND SALE AGREEMENT (7:26 PM)

City Manager Green briefly reviewed the plans the prospective buyer has shared with him. The proposed purchase price is about \$77,750. The sale would require the approval of the Council as the resolution only allows for the City Manager to authorize up to two lots at a time.

Councilor Sky inquired about what a mill operation would look like. City Manager Green explained it would be a clear span building. The council briefly discussed where the potential buyer currently operates. City Manager Green shared his belief that the council should sell the lots. He was hopeful they might be able to close this fiscal year. He noted that the industrial park has seen a lot of interest.

Council President Smith invited audience member, Chris Labhart to speak. He inquired about the past stipulation that a buyer must bring employees to be eligible to purchase. Several councilors answered that that is no longer a requirement.

There was a brief discussion about pricing strategies and several councilors agreed it would be important to maintain reasonable purchase prices to allow for development and improvements to occur. Council President Smith noted that the removal of the stipulations would allow for businesses to open and in turn would generate employment opportunities.

Councilor Sky motioned to approve the City Manager to proceed with the Industrial Park land sale. The motion was seconded by Councilor Haberly and passed unanimously.

Action Item No. 14— OREGON RAIN UPDATE / USDA RDGB GRANT (7:37 PM)

Councilor President Smith introduced Stephanie LeQuieu to speak. Stephanie LeQuieu provided a brief overview of what the USDA Grant covers. She also noted that they've been awarded a grant through the EDA. She shared about the platform they're building out, "Backyard Investing" to assist local startups. With that grant, they plan to sponsor the first 20-30 start-ups. Council President Smith inquired if it would be specific to Grant County. She answered that Grant County and only one other County in the State have been selected for this program. She also briefly shared about some of the other programs available and opportunities for the community. City Manager Green noted that the City did budget for Oregon RAIN for the next fiscal year.

Councilor Sky motioned to authorize the City Manager on behalf of the City to administer the RDBG Grant. The motion was seconded by Councilor Adair and passed unanimously.

Action Item No. 15— COMMUNITY DEVELOPMENT/CITY PROJECT & STAFFING UPDATES (7:52 PM)

City Manager Green explained that Congress has begun to allow for earmarks. Earmarks are a way for the rural communities to secure funding without having to compete internationally.

City Manager Green shared that he applied for the planar shed restorations and CyberMill operational funding. Councilor Sky inquired about progress on the John Day site. City Manager Green shared that the purchase and sale agreement was executed at a sales price of \$90,000 with a close date within the next 2 weeks.

He provided a brief update on the USDA Rural Development for the treatment plant. He also shared that he had applied to the State for assistance following the County's denial for assistance on the 4th street project. The permit had not been procured yet. Should the project not be completed within the allowed timeline, the project would be deferred until next year.

The Recreational Trails program grant is due June 15. This would complete the last portion of the trail and pave everything from 7th St to Hill Family Park. Councilors Rookstool and Sky brought up concerns about road safety at 7th Street park that have been brought to their attention by residents.

The COPS Grant for staff support is due June 22nd and they will submit for one full-time position for a 5-year period.

The Build grant, now called RAISE is due July 12.

The SCA Grant is due July 31st. He recommended using the \$100,000 towards the paving of Government Way. Adding that if the council would prefer those funds used towards chip sealing or something else to make him aware.

The Growing Rural Oregon virtual site visit occurred the day before and went very well. A decision is expected by the end of the month.

The CDBG Grant should be awarded any day.

City Manager Green provided a brief update on the Treatment Plant. Drillers are working onsite with the hydrogeologists. The next round of engineering and design will require bidding and will be awarded in July or August.

The Planning Commission approved the planned developments at Mahogany Ridge and Ironwood Estates, Phase 2. The public notice period for appeal has begun. They will be going out for bid later this year.

Action Item No. 16— FIRST READING, ORDINANCE NO. 21-195-06, AN ORDINANCE ADDING CHAPTER 7 (JOHN DAY TRANSIENT LODGING TAX) TO TITLE 3 OF THE JOHN DAY CITY CODE (8:10 PM)

City Manager Green noted they do not have to read the ordinance in its entirety. He added that Councilor Rookstool had mentioned attempting to have more public involvement and opportunities for comment. Councilor Rookstool shared that it was her belief that the council should make certain the community is involved. Audience member, Mindy Winegar shared her concern that a transient lodging tax would push visitors to stay in other areas. Audience member, Chris Labhart shared on behalf of Kam Wah Chung that it is the second largest tourist attraction in Grant County. He felt that there was no need for the City to pursue a transient lodging tax.

The council came to a consensus to review the process to adopt ordinances.

City Manager stated that the ordinance was slated for final review at the council meeting on June 22nd. He asked that the council decide on the rate. Council President Smith shared that in his discussions with Mayor Lundbom and Councilor Holland, they felt that 3% to 3.5% was agreeable. The council discussed and deliberated on the rate. Council President Smith requested a motion and asked that the public be prepared with comments for the meeting on June 22nd. Councilors Rookstool and Haberly noted that they do not support the ordinance and would not recommend a rate. Councilors Sky and Adair agreed on 3%.

Councilor Adair motioned that 3% be added in the ordinance as the rate for the transient lodging tax. The motion was seconded by Councilor Sky. The motion carried with a 3 to 2 vote. Approval by Council President Smith, Councilor Adair, and Councilor Sky. Councilor Rookstool and Councilor Haberly were in opposition.

Action Item No. 17— CITY MANAGER COMPENSATION (8:27 PM)

Councilor Adair motioned to increase the city manager's compensation to Range 11 Step 7, equivalent to \$87,432, effective July 1st, 2021. The motion was seconded by Councilor Sky. The motion carried with a 4 to 1 vote. Councilor Rookstool was in opposition.

Action Item No. 18— OTHER BUSINESS & UPCOMING MEETINGS (8:30 PM)

City Manager Green briefly reviewed the upcoming meetings.

Councilor Adair motioned to close the meeting at 8:30 PM. The motion was seconded by Councilor Sky and passed unanimously.

Respectfully Submitted:

Nicholas Green, City Manager

ACCEPTED BY THE CITY COUNCIL ON July 13, 2021.



Ron Lundbom, Mayor